## **EXHIBIT "C"**

```
DANA L. CHRISTENSEN
     DALE R. COCKRELL
  2
     Christensen, Moore, Cockrell,
     Cummings & Axelberg, P.C.
  3
     P.O. Box 7370
     Kalispell, MT 59904-0370
  4
     Telephone: (406) 751-6000
     Facsimile: (406) 756-6522
  5
     THOMAS G. BOWE
  6
     Assistant Attorney General
     Agency Legal Services Bureau
  7
     1712 Ninth Avenue
     P.O. Box 201440
  8
     Helena, MT 59620-1440
     Telephone: (406) 444-2026
  9
     Facsimile: (406) 444-4303
10
    COUNSEL FOR DEFENDANT STATE OF MONTANA
11
                 MONTANA FIRST JUDICIAL DISTRICT COURT
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                         LEWIS AND CLARK COUNTY
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    HERBERT R. ORR and SANDRA G.
                                       CAUSE NO. BDV-2001-423
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    ORR, husband and wife,
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               Plaintiffs,
                                       THIRD-PARTY COMPLAINT
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         ν.
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    STATE OF MONTANA, a
    governmental
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    entity,
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              Defendant, and
              Third-Party
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              Plaintiff,
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         v.
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    W.R. GRACE & CO. - CONN.,
    W.R. Grace & CO. (NEW YORK),
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    W.R. GRACE & CO. (DELAWARE),
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              Third-Party
              Defendants.
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- Plaintiffs, Herbert R. Orr and Sandra G. Orr, have 1. filed against Defendant, State of Montana, an amended complaint, a copy of which is hereto attached as Exhibit A.
- Third-Party Defendant W.R. Grace & Co. Conn. is a for profit business corporation organized and existing under the laws of the State of Connecticut.
- Third-Party Defendant W.R. Grace & Co. Conn. is a a successor corporation that is liable for the conduct of Zonolite Company and for the conduct of W.R. Grace & Co., a Connecticut corporation, with respect to the claims of the amended complaint arising from the mining and processing of asbestos-contaminated vermiculite within the State of Montana.
- Third-Party Defendant W.R. Grace & Co. (New York) 4. is a for profit business corporation organized and existing under the laws of the State of New York and is liable for the conduct of the predecessor and subsidiary companies, including W.R. Grace & Co. - Conn. and Zonolite Company with respect to the claims of the amended complaint.
- Third-Party Defendant W.R. Grace & Co. (Delaware) 5. is a for profit business corporation organized and existing under the laws of the State of Delaware and is liable for the conduct of the predecessor and subsidiary companies, including W.R. Grace & Co. - Conn. and Zonolite Company with respect to the claims of the amended complaint.
- Third-Party Defendants W. R. Grace & Co. Conn. and W.R. Grace & Co. (New York) and W.R. Grace & Co.

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(Delaware) may be referred to herein as the "Grace Third-Party Defendants."

- 7. Pursuant to the Agreement and Plan of Reorganization between W.R. Grace & Co. and Zonolite Company, dated January 17, 1963, W.R. Grace & Co., a Connecticut corporation, acquired substantially all of the properties and assets of Zonolite, including mining properties in Montana, and assumed all debts and liabilities of Zonolite.
- 8. Without admitting any of the allegations of the amended complaint, the State of Montana (which may be referred to herein as "Defendant/Third-Party Plaintiff"), refers to, and incorporates in this Third-Party Complaint by reference, the amended complaint for damages filed in this matter.
- 9. Defendant/Third-Party Plaintiff denies that it is in any manner responsible for the events giving rise to Plaintiffs' claims for relief, or for injuries and damages allegedly sustained by Plaintiffs. If, however, liability is imposed on Defendant/Third-Party Plaintiff as a result of the matters alleged in the amended complaint, such liability could only be remote and derivative from, or concurrent with, the acts and liability of the Grace Third-Party Defendants.
- 10. The Grace Third-Party Defendants had a duty to furnish a place of employment that was safe for employees, including Plaintiff Herbert R. Orr.
- 11. The Grace Third-Party Defendants had a duty to furnish and require the use of safety devices and safeguards,

such as respiratory protective devices, by employees, including Plaintiff Herbert R. Orr.

- 12. The Grace Third-Party Defendants had a duty to adopt and use such methods, processes, practices, means, and operations as reasonably adequate to render the place of employment safe, and to do every other thing reasonably necessary to protect the life and safety of employees, including Plaintiff Herbert R. Orr.
- 13. Defendant/Third-Party Plaintiff alleges that the Grace Third-Party Defendants negligently and intentionally breached the aforementioned duties, and that the breach was the proximate cause of the alleged injuries and damages of the Plaintiffs.
- 14. The Grace Third-Party Defendants knew that Plaintiff Herbert R. Orr and other employees were being exposed to dust containing harmful asbestos, which penetrated and lodged in their lungs and injured and damaged their lungs.
- 15. The Grace Third-Party Defendants actively concealed from Plaintiffs, other employees, and Defendant/Third-Party Plaintiff the harm and injury caused by dust containing asbestos.
- 16. The Grace Third-Party Defendants knew that dust containing hazardous asbestos could cause fatal diseases, including, but not limited to, asbestosis, lung cancer, and mesothelioma.
  - 17. The Grace Third-Party Defendants knew that safety

devices and safeguards, such as respiratory protective devices and ventilation systems in the workplace, were not used or maintained in a manner sufficient to prevent injury from asbestos dust.

- 18. The Grace Third-Party Defendants completely controlled the methods, processes, practices, means, and operations in the place of employment, but intentionally created harm to Plaintiff Herbert R. Orr and other employees by failing to take reasonably adequate measures to render the place of employment safe, and to do every other thing reasonably necessary to protect the life and safety of employees, including Plaintiff Herbert R. Orr.
- 19. The Grace Third-Party Defendants informed Defendant/Third-Party Plaintiff of policies it had implemented concerning the use of respiratory protective devices by employees, but the Grace Third-Party Defendants knowingly failed to enforce its policies in a manner reasonably necessary to protect the life and safety of employees from injury caused by asbestos dust.
- 20. The Grace Third-Party Defendants failed to warn Plaintiff Herbert R. Orr, and other employees, and members of their households of the hazards of exposure to asbestos dust.
- 21. The Grace Third-Party Defendants had knowledge of facts or intentionally disregarded facts that created a high probability of harm to Plaintiffs and deliberately proceeded to act with either conscious disregard or indifference to the high probability of injury to the Plaintiffs.

- 22. The acts and omissions of the Grace Third-Party
  Defendants were the direct and primary causes of the failure
  to provide a safe place of employment for Plaintiff Herbert
  R. Orr, and other employees, and proximately caused the
  injuries and damages allegedly sustained by Plaintiffs.
- 23. The allegations of the amended complaint against Defendant/Third-Party Plaintiff are, in fact and in law, vicarious in that Defendant/Third-Party Plaintiff had no authority, nor did Defendant/Third-Party Plaintiff exercise any control, over the methods, processes, practices, means, and operations in the place of employment operated by the Grace Third-Party Defendants. Defendant/Third-Party Plaintiff did not increase the risk of harm from asbestos dust over the risk of harm caused by the Grace Third-Party Defendants.
- 24. In the event that Plaintiffs are entitled to any recovery against Defendant/Third-Party Plaintiff by reason of the matters alleged in the amended complaint, it is because of the fault and neglect of the Grace Third-Party Defendants.
- 25. In the event that Plaintiffs are entitled to any recovery against Defendant/Third-Party Plaintiff by reason of the matters alleged in the amended complaint, then Defendant/Third-Party Plaintiff is entitled to judgment against the Grace Third-Party Defendants for all or part of the amount of damages and costs awarded to Plaintiffs.

## FIRST CLAIM FOR RELIEF

26. Defendant/Third-Party Plaintiff refers to

Paragraphs 1 through 25 of this Third-Party Complaint and incorporates the same herein by reference.

- 27. If Defendant/Third-Party Plaintiff is held liable and responsible to Plaintiffs for damages as a result of the matters alleged in the amended complaint, it will be solely due to the active and affirmative conduct of the Grace Third-Party Defendants, which directly and proximately caused any injuries, as herein alleged.
- 28. As between the Grace Third-Party Defendants and Defendant/Third-Party Plaintiff, the Grace Third-Party Defendants are primarily, directly, and actively responsible for the resulting injuries and damages to Plaintiffs, and Defendant/Third-Party Plaintiff is not responsible or is only secondarily, indirectly, and passively responsible.
- 29. Therefore, Defendant/Third-Party Plaintiff is entitled to be indemnified by the Grace Third-Party Defendants in the full amount of any damages awarded to Plaintiffs, should such liability to Plaintiffs arise.

## SECOND CLAIM FOR RELIEF

- 30. Defendant/Third-Party Plaintiff refers to
  Paragraphs 1 through 29 of this Third-Party Complaint and
  incorporates the same herein by reference.
- 31. If Defendant/Third-Party Plaintiff is held liable and responsible to Plaintiffs for damages as a result of the matters alleged in the amended complaint, the Grace Third-Party Defendants are responsible for Plaintiffs' damages in proportion to their comparative negligence, and the Grace

Third-Party Defendants are liable to Defendant/Third-Party Plaintiff for all or any liability by way of contribution, to the extent of their fault, and Defendant/Third-Party Plaintiff is entitled to a determination of several liability.

## PRAYER FOR RELIEF

WHEREFORE, Defendant/Third-Party Plaintiff requests that the Court:

- Enter a judgment declaring the rights of Defendant/Third-Party Plaintiff to total indemnification from the Grace Third-Party Defendants, and granting judgment against the Grace Third-Party Defendants for any sum that may be adjudged in this suit by Plaintiffs against Defendant/Third-Party Plaintiff.
- Enter a judgment declaring the rights of 2. Defendant/Third-Party Plaintiff to contribution from the Grace Third-Party Defendants, and apportioning the liability of Defendant/Third-Party Plaintiff and the Grace Third-Party Defendants on the basis of their comparative fault, in the event that they are liable for the damages alleged in the Plaintiffs' amended complaint.
- Award Defendant/Third-Party Plaintiff the costs of 3. suit.

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	4. Award Defendant/Third-Party Plaintiff any other and
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3	day of, 2005.
4	CHRISTENSEN, MOORE, COCKRELL
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7	Dana. L. Christensen Dale R. Cockrell
8	P.O. Box 7370
9	Kalispell, MT 59907-0370  Thomas G. Bowe
10	Assistant Attorney General
11	AGENCY LEGAL SERVICES BUREAU 1712 Ninth Avenue P.O. Box 201440
12	Helena, MT 59620-1440
13	COUNSEL FOR DEFENDANT/ THIRD-PARTY PLAINTIFF
14	THIND PARTI PLAINTIPE
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